

## Climate Change and its Impact on Agricultural Productivity



in Malaysia



## **Global Warming**



"There's one issue that will define the contours of this century more dramatically than any other, and that is the urgent threat of a *Climate Change*"

Barrack Obama

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## **Climate Change Scenario**



#### Top ten regions for climate change impacts on biodiversity and Agriculture



Source: Hannah, Lee, Makihiko Ikegami, David G. Hole, Changwan Seo, Stuart HM Butchart, A. Townsend Peterson, and Patrick R. Roehrdanz. "Global climate change adaptation priorities for biodiversity and food security." PLoS One 8, no. 8 (2013): e72590.

## **Climate Change and Biodiversity**



#### **Climate Change and Marine Ecosystem**

#### THREATS TO CORAL REEFS CLIMATE CHANGE



## Climate Change and Human Health



#### Climate change and heatwave-related mortality



Quantifying excess deaths related to heatwaves under climate change scenarios:

A multicountry time series modelling study. PLoS medicine, 15(7), e1002629.

#### Summary of Climate Change impacts on Human Health



Source: WORLD HEALTH ORGANISATION/WORLD BANK

## Biodiversity and Climate Change Adaptation



## **Interesting Facts**



## Changes in the global climate system



#### Indicators of a world experiencing a consistent pattern of warming.

<sup>1</sup> With regional variation (almost all glaciers worldwide losing mass but some gaining) but overall net loss.

<sup>2</sup> With regional variation (large loss in the Arctic, small net gain in the Antarctic) but overall net loss.





#### Climate Change and Agriculture

#### **IMPACTS OF CLIMATE CHANGE**

By **2030**, nine out of 10 of the major crops will experience reduced or stagnant growth rates, while average prices will increase dramatically as a result, at least in part, due to climate change.





Source: HARVARD BUSINESS SCHOOL



#### Greenhouse gas emission in managed ecosystems.



National Greenhouse Gas Inventories Programme, Eggleston H.S., Buendia L., Miwa K., Ngara T. and Tanabe K. (eds). (IGES: Japan, 2006), 16. as cited by The Climate Policy Info Hub

#### Some ecosystem services rendered by agriculture







# The Big concept

## We all can play a part



## Spiralling global temperatures from 1850-2016



Source: Ed Hawkins, Climate scientist in the National Centre for Atmospheric Science (NCAS) at the University of Reading. IPCC AR5 Contributing Author.

### Where is Malaysia?



- Agricultural productivity
- Rice and cereal crop production
- Need to embrace a new food system approach





Source: TRADINGECONOMICS.COM | WORLD BANK



Source: THEGLOBALECONOMY.COM



Source: THEGLOBALECONOMY.COM





Source: THEGLOBALECONOMY.COM

#### **Cereal Yield for Malaysia and It's Neighbours**



#### **Agricultural Productivity for Malaysia and It's Neighbours**





Source: www.myagrosis.gov.my

#### **Agricultural Value Added for Malaysia and It's Neighbours**



## Which way to GO?

Low agricultural productivity means food insecurity and probable hunger

> Reduced Greenhouse emissions from agriculture and improved food productivity

Adjust to climatic changes and improve food systems and explore underutilised crops

## **Literature Reviews**

Author(Year)	Objective	Method	Findings
Alam et al. (2011)	Impacts of Agriculture Productivity in Malaysia.	Primary and secondary data analysis	Natural disaster, drought, flood, plant disease have a negative impact on agriculture productivity and profitability
Ayinde (2011)	Effect of Climate Change on Agricultural Productivity in Nigeria	Descriptive statistics and Co - integration analysis	Temperature change has negative effect while rainfall change has positive effect on agricultural productivity
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## **The Results of Bound Tests**

	F-statistic	Optimal lag length			
k=5			Signif.	I(0)	
Model 1 (Total)	9.815***	(3, 0, 2, 2, 1, 0)	10%	2.331	3.4
Model 2 (Paddy)	6.415***	(2, 3, 1, 3, 2, 1)	5%	2.804	4.0
Model 3 (Rubber)	12.085***	(1, 1, 2, 0, 0, 0)	1%	3.900	5.4
Model 4 (Palm Oil)	4.973**	(1, 0, 1, 0, 0, 2)			

Note: \*, \*\* and \*\*\* indicate significance at 10% level, 5% level and 1% level respectively.

## **Long-Run and Short Model Estimates**

	Model 1	Model 2	Model 3	Model 4
P	(Total)	(Paddy)	(Rubber)	(Palm Oil)
		Long	g-run	
$L_t$	-1.3157***	-1.4799***	-1.8875*	-2.1002***
$K_t$	0.9674***	0.5589***	-2.1459**	0.1104
$Land_t$	2.1916***	2.8018***	0.9886	$2.6610^{***}$
$Rain_t$	0.4826*	0.8768***	0.3558	-0.0809
$Tem_t$	-1.4549	-5.3775*	-0.5309	-18.0073
$a_0$	-9.5029	-5.3763	12.4395	21.4792
		Shor	t-run	
$\sqrt{\frac{Y}{2}}$	-0 4771***	-0 1998		
$L_{t-1}$	0.1771	0.1770		
$\sqrt{\frac{Y}{-}}$	-0.2353**			
$L_{t-2}$	0.2000			
$\Delta L_t$		-1.2171***	-1.0394***	
$\Delta L_{t-1}$		-0.0179		
$\Delta L_{t-2}$		0.1657**		
$\Delta K_t$	0.2303	0.0414	0.0247	-0.4344**
$\Delta K_{t-1}$	-0.3533**		0.3956***	
$Land_t$	2.9481***	1.1223***		
$\Delta Land_{t-1}$	1.5107**	-1.5564***		
$\Delta Land_{t-2}$		-1.3158***		
$\Delta Rain_t$	0.1378*	0.1448**		
$\Delta Rain_{t-1}$		-0.1187*		
$\Delta Tem_t$		0.3372		-4.5979**
$\Delta Tem_{t-1}$				4.5803**
$ECT_{t-1}$	-0.6535***	-0.6298***	-0.1352***	-0.4124***
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Note: \*, \*\* and \*\*\* indicate significance at 10% level, 5% level and 1% level respectively.

## The Results of the Diagnostic Tests

Diagnostic test	Model 1 (Total)	Model 2 (Paddy)	Model 3 (Rubber)	Model 4 (Palm Oil)
Normality	1.0682	2.5354	0.9888	6.4740**
Serial Correlation	3.8393	2.8865	1.1782	3.2906
Heteroskedasticity	15.6511	8.2405	14.5977	14.0991
Ramsey RESET	0.4564	0.1472	4.2925*	0.0959
CUSUM	10 10 10 10 10 10 10 10 10 10	6 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	10 6 6 6 6 6 6 6 6 6 6 6 6 6	
CUSUM <sup>2</sup>	13. 14. 15. 15. 15. 15. 15. 15. 15. 15			
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Effect of climate change on paddy in Malaysia is significant

More rainfall means better paddy plantation

Core Findings Higher temperature harms paddy plantation

Average temperature increase in the short-run will lead to a reduction in the palm oil productivity



Reduce Greenhouse Gas Emissions

Maintain Malaysia temperature within range of 24°C and 28°C

Intensify research on improving food system adaptability to climate change

